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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/31/2024	.	
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The Committee on Fiscal Policy (Martin) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 163.08, Florida Statutes, is amended to
read:

(Substantial rewording of section. See
s. 163.08, F.S., for present text.)

163.08 Definitions.—As used in ss. 163.081-163.087, the
term:



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11 (1) "Commercial property" means real property other than
12 residential property. The term includes, but is not limited to,
13 a property zoned multifamily residential which is composed of
14 five or more dwelling units; government commercial property; and
15 real property used for commercial, industrial, or agricultural
16 purposes.

17 (2) "Government commercial property" means real property
18 owned by a local government and leased to a nongovernmental
19 lessee for commercial use. The term does not include residential
20 property.

21 (3) "Nongovernmental lessee" means a person or an entity
22 other than a local government which leases government commercial
23 property.

24 (4) "Program administrator" means a county, a municipality,
25 a dependent special district as defined in s. 189.012, or a
26 separate legal entity created pursuant to s. 163.01(7).

27 (5) "Property owner" means the owner or owners of record of
28 real property. The term includes real property held in trust for
29 the benefit of one or more individuals, in which case the
30 individual or individuals may be considered as the property
31 owner or owners, provided that the trustee provides written
32 consent. The term does not include persons renting, using,
33 living, or otherwise occupying real property, except for a
34 nongovernmental lessee.

35 (6) "Qualifying improvement" means the following permanent
36 improvements located on real property within the jurisdiction of
37 an authorized financing program:

38 (a) For improvements on residential property:

39 1. Repairing, replacing, or improving a central sewerage



40 system, converting an onsite sewage treatment and disposal
41 system to a central sewerage system, or, if no central sewerage
42 system is available, removing, repairing, replacing, or
43 improving an onsite sewage treatment and disposal system to an
44 advanced system or technology.

45 2. Repairing, replacing, or improving a roof, including
46 improvements that strengthen the roof deck attachment; create a
47 secondary water barrier to prevent water intrusion; install
48 wind-resistant shingles or gable-end bracing; or reinforce roof-
49 to-wall connections.

50 3. Providing flood and water damage mitigation and
51 resiliency improvements, prioritizing repairs, replacement, or
52 improvements that qualify for reductions in flood insurance
53 premiums, including raising a structure above the base flood
54 elevation to reduce flood damage; constructing a flood diversion
55 apparatus, drainage gate, or seawall improvement, including
56 seawall repairs and seawall replacements; purchasing flood-
57 damage-resistant building materials; or making electrical,
58 mechanical, plumbing, or other system improvements that reduce
59 flood damage.

60 4. Replacing windows or doors, including garage doors, with
61 energy-efficient, impact-resistant, wind-resistant, or hurricane
62 windows or doors or installing storm shutters.

63 5. Installing energy-efficient heating, cooling, or
64 ventilation systems.

65 6. Replacing or installing insulation.

66 7. Replacing or installing energy-efficient water heaters.

67 8. Installing and affixing a permanent generator.

68 9. Providing a renewable energy improvement, including the



69 installation of any system in which the electrical, mechanical,
70 or thermal energy is produced from a method that uses solar,
71 geothermal, bioenergy, wind, or hydrogen.

72 (b) For installing or constructing improvements on
73 commercial property:

74 1. Waste system improvements, which consists of repairing,
75 replacing, improving, or constructing a central sewerage system,
76 converting an onsite sewage treatment and disposal system to a
77 central sewerage system, or, if no central sewerage system is
78 available, removing, repairing, replacing, or improving an
79 onsite sewage treatment and disposal system to an advanced
80 system or technology.

81 2. Making resiliency improvements, which includes but is
82 not limited to:

83 a. Repairing, replacing, improving, or constructing a roof,
84 including improvements that strengthen the roof deck attachment;

85 b. Creating a secondary water barrier to prevent water
86 intrusion;

87 c. Installing wind-resistant shingles or gable-end bracing;
88 or

89 d. Reinforcing roof-to-wall connections.

90 e. Providing flood and water damage mitigation and
91 resiliency improvements, prioritizing repairs, replacement, or
92 improvements that qualify for reductions in flood insurance
93 premiums, including raising a structure above the base flood
94 elevation to reduce flood damage; creating or improving
95 stormwater and flood resiliency, including flood diversion
96 apparatus, drainage gates, or shoreline improvements; purchasing
97 flood-damage-resistant building materials; or making any other



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98 improvements necessary to achieve a sustainable building rating
99 or compliance with a national model resiliency standard and any
100 improvements to a structure to achieve wind or flood insurance
101 rate reductions, including building elevation.

102 3. Energy conservation and efficiency improvements, which
103 are measures to reduce consumption through efficient use or
104 conservation of electricity, natural gas, propane, or other
105 forms of energy, including but not limited to, air sealing;
106 installation of insulation; installation of energy-efficient
107 heating, cooling, or ventilation systems; building modification
108 to increase the use of daylight; window replacement; windows;
109 energy controls or energy recovery systems; installation of
110 electric vehicle charging equipment; installation of efficient
111 lighting equipment; or any other improvements necessary to
112 achieve a sustainable building rating or compliance with a
113 national model green building code.

114 4. Renewable energy improvements, including the
115 installation of any system in which the electrical, mechanical,
116 or thermal energy is produced from a method that uses solar,
117 geothermal, bioenergy, wind, or hydrogen.

118 5. Water conservation efficiency improvements, which are
119 measures to reduce consumption through efficient use or
120 conservation of water.

121 (7) "Qualifying improvement contractor" means a licensed or
122 registered contractor who has been registered to participate by
123 a program administrator pursuant to s. 163.083 to install or
124 otherwise perform work to make qualifying improvements on
125 residential property financed pursuant to a program authorized
126 under s. 163.081.



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127 (8) "Residential property" means real property zoned as
128 residential or multifamily residential and composed of four or
129 fewer dwelling units.

130 (9) "Third-party administrator" means an entity under
131 contract with a program administrator pursuant to s. 163.084 to
132 administer a program authorized by a county or municipality
133 pursuant to s. 163.081 or s. 163.082 on behalf of and at the
134 discretion of the program administrator.

135 Section 2. Section 163.081, Florida Statutes, is created to
136 read:

137 163.081 Financing qualifying improvements to residential
138 property.-

139 (1) RESIDENTIAL PROPERTY PROGRAM AUTHORIZATION.-

140 (a) A program administrator may only offer a program for
141 financing qualifying improvements to residential property within
142 the jurisdiction of a county or municipality if the county or
143 municipality has authorized by ordinance or resolution the
144 program administrator to administer the program for financing
145 qualifying improvements to residential property. The authorized
146 program must, at a minimum, meet the requirements of this
147 section.

148 (b) Pursuant to this section or as otherwise provided by
149 law or pursuant to a county's or municipality's home rule power,
150 a county or municipality may enter into an interlocal agreement
151 providing for a partnership between one or more local
152 governments for the purpose of facilitating a program to finance
153 qualifying improvements to residential property located within
154 the jurisdiction of the local governments that are party to the
155 agreement.



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156 (c) An authorized program administrator may contract with
157 one or more third-party administrators to implement the program
158 as provided in s. 163.084.

159 (d) An authorized program administrator may levy non-ad
160 valorem assessments to facilitate repayment of financing
161 qualifying improvements. Costs incurred by the program
162 administrator for such purpose may be collected as a non-ad
163 valorem assessment. A non-ad valorem assessment shall be
164 collected pursuant to s. 197.3632 and, notwithstanding s.
165 197.3632(8) (a), shall not be subject to discount for early
166 payment. However, the notice and adoption requirements of s.
167 197.3632(4) do not apply if this section is used and complied
168 with, and the intent resolution, publication of notice, and
169 mailed notices to the property appraiser, tax collector, and
170 Department of Revenue required by s. 197.3632(3) (a) may be
171 provided on or before August 15 of each year in conjunction with
172 any non-ad valorem assessment authorized by this section, if the
173 property appraiser, tax collector, and program administrator
174 agree. The program administrator shall only compensate the tax
175 collector for the actual cost of collecting non-ad valorem
176 assessments, not to exceed 2 percent of the amount collected and
177 remitted.

178 (e) A program administrator may incur debt for the purpose
179 of providing financing for qualifying improvements, which debt
180 is payable from revenues received from the improved property or
181 any other available revenue source authorized by law.

182 (2) APPLICATION.—The owner of record of the residential
183 property within the jurisdiction of an authorized program may
184 apply to the authorized program administrator to finance a



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185 qualifying improvement. The program administrator may only enter
186 into a financing agreement with the property owner.

187 (3) FINANCING AGREEMENTS.—

188 (a) Before entering into a financing agreement, the program
189 administrator must make each of the following findings based on
190 a review of public records derived from a commercially accepted
191 source and the property owner's statements, records, and credit
192 reports:

193 1. There are sufficient resources to complete the project.

194 2. The total amount of any non-ad valorem assessment for a
195 residential property under this section does not exceed 20
196 percent of the just value of the property as determined by the
197 property appraiser. The total amount may exceed this limitation
198 upon written consent of the holders or loan servicers of any
199 mortgage encumbering or otherwise secured by the residential
200 property.

201 3. The combined mortgage-related debt and total amount of
202 any non-ad valorem assessments under the program for the
203 residential property does not exceed 97 percent of the just
204 value of the property as determined by the property appraiser.

205 4. The financing agreement does not utilize a negative
206 amortization schedule, a balloon payment, or prepayment fees or
207 finances other than nominal administrative costs. Capitalized
208 interest included in the original balance of the assessment
209 financing agreement does not constitute negative amortization.

210 5. All property taxes and any other assessments, including
211 non-ad valorem assessments, levied on the same bill as the
212 property taxes are current and have not been delinquent for the
213 preceding 3 years, or the property owner's period of ownership,



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214 whichever is less.

215 6. There are no outstanding fines or fees related to zoning
216 or code enforcement violations issued by a county or
217 municipality, unless the qualifying improvement will remedy the
218 zoning or code violation.

219 7. There are no involuntary liens, including, but not
220 limited to, construction liens on the residential property.

221 8. No notices of default or other evidence of property-
222 based debt delinquency have been recorded and not released
223 during the preceding 3 years or the property owner's period of
224 ownership, whichever is less.

225 9. The property owner is current on all mortgage debt on
226 the residential property.

227 10. The property owner has not been subject to a bankruptcy
228 proceeding within the last 5 years unless it was discharged or
229 dismissed more than 2 years before the date on which the
230 property owner applied for financing.

231 11. The residential property is not subject to an existing
232 home equity conversion mortgage or reverse mortgage product.

233 12. The term of the financing agreement does not exceed the
234 weighted average useful life of the qualified improvements to
235 which the greatest portion of funds disbursed under the
236 assessment contract is attributable, not to exceed 20 years. The
237 program administrator shall determine the useful life of a
238 qualifying improvement using established standards, including
239 certification criteria from government agencies or nationally
240 recognized standards and testing organizations.

241 13. The total estimated annual payment amount for all
242 financing agreements entered into under this section on the



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243 residential property does not exceed 10 percent of the property
244 owner's annual household income. Income must be confirmed using
245 reasonable evidence and not solely by a property owner's
246 statement.

247 14. If the qualifying improvement is for the conversion of
248 an onsite sewage treatment and disposal system to a central
249 sewerage system, the property owner has utilized all available
250 local government funding for such conversions and is unable to
251 obtain financing for the improvement on more favorable terms
252 through a local government program designed to support such
253 conversions.

254 (b) Before entering into a financing agreement, the
255 program administrator must determine if there are any current
256 financing agreements on the residential property and if the
257 property owner has obtained or sought to obtain additional
258 qualifying improvements on the same property which have not yet
259 been recorded. The existence of a prior qualifying improvement
260 non-ad valorem assessment or a prior financing agreement is not
261 evidence that the financing agreement under consideration is
262 affordable or meets other program requirements.

263 (c) Findings satisfying paragraphs (a) and (b) must be
264 documented, including supporting evidence relied upon, and
265 provided to the property owner prior to a financing agreement
266 being approved and recorded. The program administrator must
267 retain the documentation for the duration of the financing
268 agreement.

269 (d) If the qualifying improvement is estimated to cost
270 \$10,000 or more, before entering into a financing agreement the
271 program administrator must advise the property owner in writing



272 that the best practice is to obtain estimates from more than one
273 unaffiliated, registered qualifying improvement contractors for
274 the qualifying improvement and notify the property owner in
275 writing of the advertising and solicitation requirements of s.
276 163.085.

277 (e) A property owner and the program administrator may
278 agree to include in the financing agreement provisions for
279 allowing change orders necessary to complete the qualifying
280 improvement. Any financing agreement or contract for qualifying
281 improvements which includes such provisions must meet the
282 requirements of this paragraph. If a proposed change order on a
283 qualifying improvement will increase the original cost of the
284 qualifying improvement by 20 percent or more or will expand the
285 scope of the qualifying improvement by more than 20 percent,
286 before the change order may be executed which would result in an
287 increase in the amount financed through the program
288 administrator for the qualifying improvement, the program
289 administrator must notify the property owner, provide an updated
290 written disclosure form as described in subsection (4) to the
291 property owner, and obtain written approval of the change from
292 the property owner.

293 (f) A financing agreement may not be entered into if the
294 total cost of the qualifying improvement, including program fees
295 and interest, is less than \$2,500.

296 (g) A financing agreement may not be entered into for
297 qualifying improvements in buildings or facilities under new
298 construction or construction for which a certificate of
299 occupancy or similar evidence of substantial completion of new
300 construction or improvement has not been issued.



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301 (4) DISCLOSURES.-
302 (a) In addition to the requirements in subsection (3), a
303 financing agreement may not be approved unless the program
304 administrator first provides, including via electronic means, a
305 written financing estimate and disclosure to the property owner
306 which includes all of the following, each of which must be
307 individually acknowledged in writing by the property owner:
308 1. The estimated total amount to be financed, including the
309 total and itemized cost of the qualifying improvement, program
310 fees, and capitalized interest, if any;
311 2. The estimated annual non-ad valorem assessment;
312 3. The term of the financing agreement and the schedule for
313 the non-ad valorem assessments;
314 4. The interest charged and estimated annual percentage
315 rate;
316 5. A description of the qualifying improvement;
317 6. The total estimated annual costs that will be required
318 to be paid under the assessment contract, including program
319 fees;
320 7. The total estimated average monthly equivalent amount of
321 funds that would need to be saved in order to pay the annual
322 costs of the non-ad valorem assessment, including program fees;
323 8. The estimated due date of the first payment that
324 includes the non-ad valorem assessment;
325 9. A disclosure that the financing agreement may be
326 canceled within 3 business days after signing the financing
327 agreement without any financial penalty for doing so;
328 10. A disclosure that the property owner may repay any
329 remaining amount owed, at any time, without penalty or



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330 imposition of additional prepayment fees or fines other than
331 nominal administrative costs;

332 11. A disclosure that if the property owner sells or
333 refinances the residential property, the property owner may be
334 required by a mortgage lender to pay off the full amount owed
335 under each financing agreement under this section;

336 12. A disclosure that the assessment will be collected
337 along with the property owner's property taxes, and will result
338 in a lien on the property from the date the financing agreement
339 is recorded;

340 13. A disclosure that potential utility or insurance
341 savings are not guaranteed, and will not reduce the assessment
342 amount; and

343 14. A disclosure that failure to pay the assessment may
344 result in penalties, fees, including attorney fees, court costs,
345 and the issuance of a tax certificate that could result in the
346 property owner losing the property and a judgment against the
347 property owner, and may affect the property owner's credit
348 rating.

349 (b) Prior to the financing agreement being approved, the
350 program administrator must conduct an oral, recorded telephone
351 call with the property owner during which the program
352 administrator must confirm each finding or disclosure required
353 in subsection (3) and this section.

354 (5) NOTICE TO LIENHOLDERS AND SERVICERS.—At least 5
355 business days before entering into a financing agreement, the
356 property owner must provide to the holders or loan servicers of
357 any existing mortgages encumbering or otherwise secured by the
358 residential property a written notice of the owner's intent to



359 enter into a financing agreement together with the maximum
360 amount to be financed, including the amount of any fees and
361 interest, and the maximum annual assessment necessary to repay
362 the total. A verified copy or other proof of such notice must be
363 provided to the program administrator. A provision in any
364 agreement between a mortgagor or other lienholder and a property
365 owner, or otherwise now or hereafter binding upon a property
366 owner, which allows for acceleration of payment of the mortgage,
367 note, or lien or other unilateral modification solely as a
368 result of entering into a financing agreement as provided for in
369 this section is unenforceable. This subsection does not limit
370 the authority of the holder or loan servicer to increase the
371 required monthly escrow by an amount necessary to pay the annual
372 assessment.

373 (6) CANCELLATION.—A property owner may cancel a financing
374 agreement on a form established by the program administrator
375 within 3 business days after signing the financing agreement
376 without any financial penalty for doing so.

377 (7) RECORDING.—Any financing agreement approved and entered
378 into pursuant to this section, or a summary memorandum of such
379 agreement, shall be submitted for recording in the public
380 records of the county within which the residential property is
381 located by the program administrator within 10 business days
382 after execution of the agreement and the 3-day cancelation
383 period. The recorded agreement must provide constructive notice
384 that the non-ad valorem assessment to be levied on the property
385 constitutes a lien of equal dignity to county taxes and
386 assessments from the date of recordation. A notice of lien for
387 the full amount of the financing may be recorded in the public



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388 records of the county where the property is located. Such lien
389 is not enforceable in a manner that results in the acceleration
390 of the remaining nondelinquent unpaid balance under the
391 assessment financing agreement.

392 (8) SALE OF RESIDENTIAL PROPERTY.—At or before the time a
393 seller executes a contract for the sale of any residential
394 property for which a non-ad valorem assessment has been levied
395 under this section and has an unpaid balance due, the seller
396 shall give the prospective purchaser a written disclosure
397 statement in the following form, which must be set forth in the
398 contract or in a separate writing:

399
400 QUALIFYING IMPROVEMENTS.—The property being purchased
401 is subject to an assessment on the property pursuant
402 to s. 163.081, Florida Statutes. The assessment is for
403 a qualifying improvement to the property and is not
404 based on the value of the property. You are encouraged
405 to contact the property appraiser's office to learn
406 more about this and other assessments that may be
407 provided by law.

408
409 (9) DISBURSEMENTS.—Before disbursing final funds to a
410 qualifying improvement contractor for a qualifying improvement
411 on residential property, the program administrator shall confirm
412 that the applicable work or service has been completed or, as
413 applicable, that the final permit for the qualifying improvement
414 has been closed with all permit requirements satisfied or a
415 certificate of occupancy or similar evidence of substantial
416 completion of construction or improvement has been issued.



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417 (10) CONSTRUCTION.—This section is additional and
418 supplemental to county and municipal home rule authority and not
419 in derogation of such authority or a limitation upon such
420 authority.

421 Section 3. Section 163.082, Florida Statutes, is created to
422 read:

423 163.082 Financing qualifying improvements to commercial
424 property.—

425 (1) COMMERCIAL PROPERTY PROGRAM AUTHORIZATION.—

426 (a) A program administrator may only offer a program for
427 financing qualifying improvements to commercial property within
428 the jurisdiction of a county or municipality if the county or
429 municipality has authorized by ordinance or resolution the
430 program administrator to administer the program for financing
431 qualifying improvements to commercial property. The authorized
432 program must, at a minimum, meet the requirements of this
433 section.

434 (b) Pursuant to this section or as otherwise provided by
435 law or pursuant to a county's or municipality's home rule power,
436 a county or municipality may enter into an interlocal agreement
437 providing for a partnership between one or more local
438 governments for the purpose of facilitating a program for
439 financing qualifying improvements to commercial property located
440 within the jurisdiction of the local governments that are party
441 to the agreement.

442 (c) A program administrator may contract with one or more
443 third-party administrators to implement the program as provided
444 in s. 163.084.

445 (d) An authorized program administrator may levy non-ad



446 valorem assessments to facilitate repayment of financing or
447 refinancing qualifying improvements. Costs incurred by the
448 program administrator for such purpose may be collected as a
449 non-ad valorem assessment. A non-ad valorem assessment shall be
450 collected pursuant to s. 197.3632 and, notwithstanding s.
451 197.3632(8)(a), is not subject to discount for early payment.
452 However, the notice and adoption requirements of s. 197.3632(4)
453 do not apply if this section is used and complied with, and the
454 intent resolution, publication of notice, and mailed notices to
455 the property appraiser, tax collector, and Department of Revenue
456 required by s. 197.3632(3)(a) may be provided on or before
457 August 15 of each year in conjunction with any non-ad valorem
458 assessment authorized by this section, if the property
459 appraiser, tax collector, and program administrator agree. The
460 program administrator shall only compensate the tax collector
461 for the actual cost of collecting non-ad valorem assessments,
462 not to exceed 2 percent of the amount collected and remitted.

463 (e) A program administrator may incur debt for the purpose
464 of providing financing for qualifying improvements, which debt
465 is payable from revenues received from the improved property or
466 any other available revenue source authorized by law.

467 (2) APPLICATION.—The owner of record of the commercial
468 property within the jurisdiction of the authorized program may
469 apply to the program administrator to finance a qualifying
470 improvement and enter into a financing agreement with the
471 program administrator to make such improvement. The program
472 administrator may only enter into a financing agreement with a
473 property owner. However, a nongovernmental lessee may apply to
474 finance a qualifying improvement if the nongovernmental lessee



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475 provides the program administrator with written consent of the
476 government lessor. Any financing agreement with the
477 nongovernmental lessee must provide that the nongovernmental
478 lessee is the only party obligated to pay the assessment.

479 (3) FINANCING AGREEMENTS.—

480 (a) Before entering into a financing agreement, the program
481 administrator must make each of the following findings based on
482 a review of public records derived from a commercially accepted
483 source and the statements, records, and credit reports of the
484 commercial property owner or nongovernmental lessee:

485 1. There are sufficient resources to complete the project.

486 2. The total amount of any non-ad valorem assessment for a
487 commercial property under this section does not exceed 20
488 percent of the just value of the property as determined by the
489 property appraiser. The total amount may exceed this limitation
490 upon written consent of the holders or loan servicers of any
491 mortgage encumbering or otherwise secured by the commercial
492 property.

493 3. The combined mortgage-related debt and total amount of
494 any non-ad valorem assessments under the program for the
495 commercial property does not exceed 97 percent of the just value
496 of the property as determined by the property appraiser.

497 4. All property taxes and any other assessments, including
498 non-ad valorem assessments, levied on the same bill as the
499 property taxes are current.

500 5. There are no involuntary liens greater than \$5,000,
501 including, but not limited to, construction liens on the
502 commercial property.

503 6. No notices of default or other evidence of property-



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504 based debt delinquency have been recorded and not been released
505 during the preceding 3 years or the property owner's period of
506 ownership, whichever is less.

507 7. The property owner is current on all mortgage debt on
508 the commercial property.

509 8. The term of the financing agreement does not exceed the
510 weighted average useful life of the qualified improvements to
511 which the greatest portion of funds disbursed under the
512 assessment contract is attributable, not to exceed 30 years. The
513 program administrator shall determine the useful life of a
514 qualifying improvement using established standards, including
515 certification criteria from government agencies or nationally
516 recognized standards and testing organizations.

517 9. The property owner or nongovernmental lessee is not
518 currently the subject of a bankruptcy proceeding.

519 (b) Before entering into a financing agreement, the program
520 administrator shall determine if there are any current financing
521 agreements on the commercial property and whether the property
522 owner or nongovernmental lessee has obtained or sought to obtain
523 additional qualifying improvements on the same property which
524 have not yet been recorded. The existence of a prior qualifying
525 improvement non-ad valorem assessment or a prior financing
526 agreement is not evidence that the financing agreement under
527 consideration is affordable or meets other program requirements.

528 (c) Findings satisfying paragraphs (a) and (b) must be
529 documented, including supporting evidence relied upon, and
530 provided to the property owner or nongovernmental lessee prior
531 to a financing agreement being approved and recorded. The
532 program administrator must retain the documentation for the



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533 duration of the financing agreement.

534 (d) A property owner or nongovernmental lessee and the
535 program administrator may agree to include in the financing
536 agreement provisions for allowing change orders necessary to
537 complete the qualifying improvement. Any financing agreement or
538 contract for qualifying improvements which includes such
539 provisions must meet the requirements of this paragraph. If a
540 proposed change order on a qualifying improvement will increase
541 the original cost of the qualifying improvement by 20 percent or
542 more or will expand the scope of the qualifying improvement by
543 20 percent or more, before the change order may be executed
544 which would result in an increase in the amount financed through
545 the program administrator for the qualifying improvement, the
546 program administrator must notify the property owner or
547 nongovernmental lessee, provide an updated written disclosure
548 form as described in subsection (4) to the property owner or
549 nongovernmental lessee, and obtain written approval of the
550 change from the property owner or nongovernmental lessee.

551 (e) A financing agreement may not be entered into if the
552 total cost of the qualifying improvement, including program fees
553 and interest, is less than \$2,500.

554 (4) DISCLOSURES.—In addition to the requirements in
555 subsection (3), a financing agreement may not be approved unless
556 the program administrator provides, whether on a separate
557 document or included with other disclosures or forms, a
558 financing estimate and disclosure to the property owner or
559 nongovernmental lessee which includes all of the following:

560 (a) The estimated total amount to be financed, including
561 the total and itemized cost of the qualifying improvement,



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562 program fees, and capitalized interest, if any;
563 (b) The estimated annual non-ad valorem assessment;
564 (c) The term of the financing agreement and the schedule
565 for the non-ad valorem assessments;
566 (d) The interest charged and estimated annual percentage
567 rate;
568 (e) A description of the qualifying improvement;
569 (f) The total estimated annual costs that will be required
570 to be paid under the assessment contract, including program
571 fees;
572 (g) The estimated due date of the first payment that
573 includes the non-ad valorem assessment; and
574 (h) A disclosure that the property owner or nongovernmental
575 lessee may repay any remaining amount owed, at any time, without
576 penalty or imposition of additional prepayment fees or fines
577 other than nominal administrative costs.
578 (5) CONSENT OF LIENHOLDERS AND SERVICERS.—Before entering
579 into a financing agreement with a property owner, the program
580 administrator must have received the written consent of the
581 current holders or loan servicers of any mortgage that encumbers
582 or is otherwise secured by the commercial property or that will
583 otherwise be secured by the property at the time the financing
584 agreement is executed.
585 (6) RECORDING.—Any financing agreement approved and entered
586 into pursuant to this section or a summary memorandum of such
587 agreement must be submitted for recording in the public records
588 of the county within which the commercial property is located by
589 the program administrator within 10 business days after
590 execution of the agreement. The recorded agreement must provide



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591 constructive notice that the non-ad valorem assessment to be
592 levied on the property constitutes a lien of equal dignity to
593 county taxes and assessments from the date of recordation. A
594 notice of lien for the full amount of the financing may be
595 recorded in the public records of the county where the property
596 is located. Such lien is not enforceable in a manner that
597 results in the acceleration of the remaining nondelinquent
598 unpaid balance under the assessment financing agreement.

599 (7) SALE OF COMMERCIAL PROPERTY.—At or before the time a
600 seller executes a contract for the sale of any commercial
601 property for which a non-ad valorem assessment has been levied
602 under this section and has an unpaid balance due, the seller
603 shall give the prospective purchaser a written disclosure
604 statement in the following form, which must be set forth in the
605 contract or in a separate writing:

606
607 QUALIFYING IMPROVEMENTS.—The property being purchased
608 is subject to an assessment on the property pursuant
609 to s. 163.082, Florida Statutes. The assessment is for
610 a qualifying improvement to the property and is not
611 based on the value of the property. You are encouraged
612 to contact the property appraiser's office to learn
613 more about this and other assessments that may be
614 provided for by law.

615
616 (8) COMPLETION CERTIFICATE.—Upon disbursement of all
617 financing and completion of installation of qualifying
618 improvements financed, the program administrator shall file with
619 the applicable county or municipality a certificate that the



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620 qualifying improvements have been installed and are in good
621 working order.

622 (9) CONSTRUCTION.—This section is additional and
623 supplemental to county and municipal home rule authority and not
624 in derogation of such authority or a limitation upon such
625 authority.

626 Section 4. Section 163.083, Florida Statutes, is created to
627 read:

628 163.083 Qualifying improvement contractors.—

629 (1) A county or municipality shall establish a process, or
630 approve a process established by a program administrator, to
631 register contractors for participation in a program authorized
632 by a county or municipality pursuant to s. 163.081. A qualifying
633 improvement contractor may only perform such work that the
634 contractor is appropriately licensed, registered, and permitted
635 to conduct. At the time of application to participate and during
636 participation in the program, contractors must:

637 (a) Hold all necessary licenses or registrations for the
638 work to be performed which are in good standing. Good standing
639 includes no outstanding complaints with the state or local
640 government which issues such licenses or registrations.

641 (b) Comply with all applicable federal, state, and local
642 laws and regulations, including obtaining and maintaining any
643 other permits, licenses, or registrations required for engaging
644 in business in the jurisdiction in which it operates and
645 maintaining all state-required bond and insurance coverage.

646 (c) File with the program administrator a written statement
647 in a form approved by the county or municipality that the
648 contractor will comply with applicable laws and rules and



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649 qualifying improvement program policies and procedures,
650 including those on advertising and marketing.

651 (2) A third-party administrator or a program administrator,
652 either directly or through an affiliate, may not be registered
653 as a qualifying improvement contractor.

654 (3) A program administrator shall establish and maintain:

655 (a) A process to monitor qualifying improvement contractors
656 for performance and compliance with requirements of the program
657 and must conduct regular reviews of qualifying improvement
658 contractors to confirm that each qualifying improvement
659 contractor is in good standing.

660 (b) Procedures for notice and imposition of penalties upon
661 a finding of violation, which may consist of placement of the
662 qualifying improvement contractor in a probationary status that
663 places conditions for continued participation, suspension, or
664 termination from participation in the program.

665 (c) An easily accessible page on its website that provides
666 information on the status of registered qualifying improvement
667 contractors, including any imposed penalties, and the names of
668 any qualifying improvement contractors currently on probationary
669 status or that are suspended or terminated from participation in
670 the program.

671 Section 5. Section 163.084, Florida Statutes, is created to
672 read:

673 163.084 Third-party administrator for financing qualifying
674 improvements programs.—

675 (1) (a) A program administrator may contract with one or
676 more third-party administrators to administer a program
677 authorized by a county or municipality pursuant to s. 163.081 or



678 s. 163.082 on behalf of and at the discretion of the program
679 administrator.

680 (b) The third-party administrator must be independent of
681 the program administrator and have no conflicts of interest
682 between managers or owners of the third-party administrator and
683 program administrator managers, owners, officials, or employees
684 with oversight over the contract. The contract must provide for
685 the entity to administer the program according to the
686 requirements of s. 163.081 or s. 163.082 and the ordinance or
687 resolution adopted by the county or municipality authorizing the
688 program. However, only the program administrator may levy or
689 administer non-ad valorem assessments.

690 (2) A program administrator may not contract with a third-
691 party administrator that, within the last 3 years, has been
692 prohibited from serving as a third-party administrator for
693 another program administrator for program or contract violations
694 or has been found by a court of competent jurisdiction to have
695 violated state or federal laws related to the administration of
696 ss. 163.081-163.086 or a similar program in another
697 jurisdiction.

698 (3) The program administrator must include in any contract
699 with the third-party administrator the right to perform annual
700 reviews of the administrator to confirm compliance with ss.
701 163.081-163.086, the ordinance or resolution adopted by the
702 county or municipality, and the contract with the program
703 administrator. If the program administrator finds that the
704 third-party administrator has committed a violation of ss.
705 163.081-163.086, the adopted ordinance or resolution, or the
706 contract with the program administrator, the program



707 administrator shall provide the third-party administrator with
708 notice of the violation and may, as set forth in the adopted
709 ordinance or resolution or the contract with the third-party
710 administrator:

711 (a) Place the third-party administrator in a probationary
712 status that places conditions for continued operations.

713 (b) Impose any fines or sanctions.

714 (c) Suspend the activity of the third-party administrator
715 for a period of time.

716 (d) Terminate the agreement with the third-party
717 administrator.

718 (4) A program administrator may terminate the agreement
719 with a third-party administrator, as set forth by the county or
720 municipality in its adopted ordinance or resolution or the
721 contract with the third-party administrator, if the program
722 administrator makes a finding that:

723 (a) The third-party administrator has violated the contract
724 with the program administrator. The contract may set forth
725 substantial violations that may result in contract termination
726 and other violations that may provide for a period of time for
727 correction before the contract may be terminated.

728 (b) The third-party administrator, or an officer, a
729 director, a manager or a managing member, or a control person of
730 the third-party administrator, has been found by a court of
731 competent jurisdiction to have violated state or federal laws
732 related to the administration a program authorized of the
733 provisions of ss. 163.081-163.086 or a similar program in
734 another jurisdiction within the last 5 years.

735 (c) Any officer, director, manager or managing member, or



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736 control person of the third-party administrator has been
737 convicted of, or has entered a plea of guilty or nolo contendere
738 to, regardless of whether adjudication has been withheld, a
739 crime related to administration of a program authorized of the
740 provisions of ss. 163.081-163.086 or a similar program in
741 another jurisdiction within the last 10 years.

742 (d) An annual performance review reveals a substantial
743 violation or a pattern of violations by the third-party
744 administrator.

745 (5) Any recorded financing agreements at the time of
746 termination or suspension by the program administrator shall
747 continue.

748 Section 6. Section 163.085, Florida Statutes, is created to
749 read:

750 163.085 Advertisement and solicitation for financing
751 qualifying improvements programs under s. 163.081 or s.
752 163.082.-

753 (1) When communicating with a property owner or a
754 nongovernmental lessee, a program administrator, qualifying
755 improvement contractor, or third-party administrator may not:

756 (a) Suggest or imply:

757 1. That a non-ad valorem assessment authorized under s.
758 163.081 or s. 163.082 is a government assistance program;

759 2. That qualifying improvements are free or provided at no
760 cost, or that the financing related to a non-ad valorem
761 assessment authorized under s. 163.081 or s. 163.082 is free or
762 provided at no cost; or

763 3. That the financing of a qualifying improvement using the
764 program authorized pursuant to s. 163.081 or s. 163.082 does not



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765 require repayment of the financial obligation.

766 (b) Make any representation as to the tax deductibility of
767 a non-ad valorem assessment. A program administrator, qualifying
768 improvement contractor, or third-party administrator may
769 encourage a property owner or nongovernmental lessee to seek the
770 advice of a tax professional regarding tax matters related to
771 assessments.

772 (2) A program administrator or third-party administrator
773 may not provide to a qualifying improvement contractor any
774 information that discloses the amount of financing for which a
775 property owner or nongovernmental lessee is eligible for
776 qualifying improvements or the amount of equity in a residential
777 property or commercial property.

778 (3) A qualifying improvement contractor may not advertise
779 the availability of financing agreements for, or solicit program
780 participation on behalf of, the program administrator unless the
781 contractor is registered by the program administrator to
782 participate in the program and is in good standing with the
783 program administrator.

784 (4) A program administrator or third-party administrator
785 may not provide any payment, fee, or kickback to a qualifying
786 improvement contractor for referring property owners or
787 nongovernmental lessees to the program administrator or third-
788 party administrator. However, a program administrator or third-
789 party administrator may provide information to a qualifying
790 improvement contractor to facilitate the installation of a
791 qualifying improvement for a property owner or nongovernmental
792 lessee.

793 (5) A program administrator or third-party administrator



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794 may not reimburse a qualifying improvement contractor for its
795 expenses in advertising and marketing campaigns and materials.

796 (6) A qualifying improvement contractor may not provide a
797 different price for a qualifying improvement financed under s.
798 163.081 than the price that the qualifying improvement
799 contractor would otherwise provide if the qualifying improvement
800 was not being financed through a financing agreement. Any
801 contract between a property owner or nongovernmental lessee and
802 a qualifying improvement contractor must clearly state all
803 pricing and cost provisions, including any process for change
804 orders which meet the requirements of s. 163.081(3)(d).

805 (7) A program administrator, qualifying improvement
806 contractor, or third-party administrator may not provide any
807 direct cash payment or other thing of material value to a
808 property owner or nongovernmental lessee which is explicitly
809 conditioned upon the property owner or nongovernmental lessee
810 entering into a financing agreement. However, a program
811 administrator or third-party administrator may offer programs or
812 promotions on a non-discriminatory basis that provide reduced
813 fees or interest rates if the reduced fees or interest rates are
814 reflected in the financing agreements and are not provided to
815 the property owner or nongovernmental lessee as cash
816 consideration.

817 Section 7. Section 163.086, Florida Statutes, is created to
818 read:

819 163.086 Unenforceable financing agreements for qualifying
820 improvements programs under s. 163.081 or s. 163.082;
821 attachment; fraud.-

822 (1) A recorded financing agreement may not be removed from



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823 attachment to a residential property or commercial property if
824 the property owner or nongovernmental lessee fraudulently
825 obtained funding pursuant to s. 163.081 or s. 163.082.

826 (2) A financing agreement may not be enforced, and a
827 recorded financing agreement may be removed from attachment to a
828 residential property or commercial property and deemed null and
829 void, if:

830 (a) The property owner or nongovernmental lessee applied
831 for, accepted, and canceled a financing agreement within the 3-
832 business-day period pursuant to s. 163.081(6). A qualifying
833 improvement contractor may not begin work under a canceled
834 contract.

835 (b) A person other than the property owner or
836 nongovernmental lessee obtained the recorded financing
837 agreement. The court may enter an order which holds that person
838 or persons personally liable for the debt.

839 (c) The program administrator, third-party administrator,
840 or qualifying improvement contractor approved or obtained
841 funding through fraudulent means and in violation of ss.
842 163.081-163.085, or this section for qualifying improvements on
843 the residential property or commercial property.

844 (3) If a qualifying improvement contractor has initiated
845 work on residential property or commercial property under a
846 contract deemed unenforceable under this section, the qualifying
847 improvement contractor:

848 (a) May not receive compensation for that work under the
849 financing agreement.

850 (b) Must restore the residential property or commercial
851 property to its original condition at no cost to the property



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852 owner or nongovernmental lessee.

853 (c) Must immediately return any funds, property, and other
854 consideration given by the property owner or nongovernmental
855 lessee. If the property owner or nongovernmental lessee provided
856 any property and the qualifying improvement contractor does not
857 or cannot return it, the qualifying improvement contractor must
858 immediately return the fair market value of the property or its
859 value as designated in the contract, whichever is greater.

860 (4) If the qualifying improvement contractor has delivered
861 chattel or fixtures to residential property or commercial
862 property pursuant to a contract deemed unenforceable under this
863 section, the qualifying improvement contractor has 90 days after
864 the date on which the contract was executed to retrieve the
865 chattel or fixtures, provided that:

866 (a) The qualifying improvement contractor has fulfilled the
867 requirements of paragraphs (3) (a) and (b).

868 (b) The chattel and fixtures can be removed at the
869 qualifying improvement contractor's expense without damaging the
870 residential property or commercial property.

871 (5) If a qualifying improvement contractor fails to comply
872 with this section, the property owner or nongovernmental lessee
873 may retain any chattel or fixtures provided pursuant to a
874 contract deemed unenforceable under this section.

875 (6) A contract that is otherwise unenforceable under this
876 section remains enforceable if the property owner or
877 nongovernmental lessee waives his or her right to cancel the
878 contract or cancels the financing agreement pursuant to s.
879 163.081(6) or s. 163.082(6) but allows the qualifying
880 improvement contractor to proceed with the installation of the



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881 qualifying improvement.

882 Section 8. Section 163.087, Florida Statutes, is created to
883 read:

884 163.087 Reporting for financing qualifying improvements
885 programs under s. 163.081 or s. 163.082.—

886 (1) Each program administrator that is authorized to
887 administer a program for financing qualifying improvements to
888 residential property or commercial property under s. 163.081 or
889 s. 163.082 shall post on its website an annual report within 45
890 days after the end of its fiscal year containing the following
891 information from the previous year for each program authorized
892 under s. 163.081 or s. 163.082:

893 (a) The number and types of qualifying improvements funded.

894 (b) The aggregate, average, and median dollar amounts of
895 annual non-ad valorem assessments and the total number of non-ad
896 valorem assessments collected pursuant to financing agreements
897 for qualifying improvements.

898 (c) The total number of defaulted non-ad valorem
899 assessments, including the total defaulted amount, the number
900 and dates of missed payments, and the total number of parcels in
901 default and the length of time in default.

902 (d) A summary of all reported complaints received by the
903 program administrator related to the program, including the
904 names of the third-party administrator, if applicable, and
905 qualifying improvement contractors and the resolution of each
906 complaint.

907 (2) The Auditor General must conduct an operational audit
908 of each program authorized under s. 163.081 or s. 163.082,
909 including any third-party administrators, for compliance with



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910 the provisions of ss. 163.08-163.086 and any adopted ordinance
911 at least once every 24 months. The Auditor General may stagger
912 evaluations such that a portion of all programs are evaluated in
913 1 year; however, every program must be evaluated at least once
914 by September 1, 2027. Each program administrator, and third-
915 party administrator if applicable, must post the most recent
916 report on its website.

917 Section 9. This act shall take effect July 1, 2024.

918
919 ===== T I T L E A M E N D M E N T =====

920 And the title is amended as follows:

921 Delete everything before the enacting clause
922 and insert:

923 A bill to be entitled
924 An act relating to improvements to real property;
925 amending s. 163.08, F.S.; deleting provisions relating
926 to legislative findings and intent; defining terms and
927 revising definitions; creating ss. 163.081 and
928 163.082, F.S.; allowing a program administrator to
929 offer a program for financing qualifying improvements
930 for residential or commercial property when authorized
931 by a county or municipality; requiring an authorized
932 program administrator that administers an authorized
933 program to meet certain requirements; authorizing a
934 county or municipality to enter into an interlocal
935 agreement to implement a program; authorizing a
936 program administrator to contract with third-party
937 administrators to implement the program; authorizing a
938 program administrator to levy non-ad valorem



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939 assessments for a certain purpose; providing for
940 compensation for tax collectors for actual costs
941 incurred to collect non-ad valorem assessments;
942 authorizing a program administrator to incur debt for
943 the purpose of providing financing for qualifying
944 improvements; authorizing the owner of the residential
945 property or commercial property or certain
946 nongovernmental lessees to apply to the program
947 administrator to finance a qualifying improvement;
948 requiring the program administrator to make certain
949 findings before entering into a financing agreement;
950 requiring the program administrator to ascertain
951 certain financial information from the property owner
952 or nongovernmental lessee before entering into a
953 financing agreement; requiring certain documentation;
954 requiring an advisement and notification for certain
955 qualifying improvements; requiring certain financing
956 agreement and contract provisions for change orders
957 under certain circumstances; prohibiting a financing
958 agreement from being entered into under certain
959 circumstances; requiring the program administrator to
960 provide certain information before a financing
961 agreement may be approved; requiring an oral, recorded
962 telephone call with the residential property owner to
963 confirm findings and disclosures before the approval
964 of a financing agreement; requiring the residential
965 property owner to provide written notice to the holder
966 or loan servicer of his or her intent to enter into a
967 financing agreement as well as other financial



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968 information; requiring that proof of such notice be
969 provided to the program administrator; providing that
970 a certain acceleration provision in an agreement
971 between the residential property owner and mortgagor
972 or lienholder is unenforceable; providing that the
973 lienholder or loan servicer retains certain authority;
974 requiring the program administrator to receive the
975 written consent of certain lienholders on commercial
976 property; authorizing a residential property owner,
977 under certain circumstances and within a certain
978 timeframe, to cancel a financing agreement without
979 financial penalty; requiring recording of the
980 financing agreement in a specified timeframe; creating
981 the seller's disclosure statements for properties
982 offered for sale which have assessments on them for
983 qualifying improvements; requiring the program
984 administrator to confirm that certain conditions are
985 met before disbursing final funds to a qualifying
986 improvement contractor for qualifying improvements on
987 residential property; requiring a program
988 administrator to submit a certain certificate to a
989 county or municipality upon final disbursement and
990 completion of qualifying improvements on commercial
991 property; creating s. 163.083, F.S.; requiring a
992 county or municipality to establish or approve a
993 process for the registration of a qualifying
994 improvement contractor to install qualifying
995 improvements; requiring certain conditions for a
996 qualifying improvement contractor to participate in a



997 program; prohibiting a third-party administrator from
998 registering as a qualifying improvement contractor;
999 requiring the program administrator to monitor
1000 qualifying improvement contractors, enforce certain
1001 penalties for a finding of violation, and post certain
1002 information online; creating s. 163.084, F.S.;
1003 authorizing the program administrator to contract with
1004 entities to administer an authorized program;
1005 providing certain requirements for a third-party
1006 administrator; prohibiting a program administrator
1007 from contracting with a third-party administrator
1008 under certain circumstances; requiring the program
1009 administrator to include in its contract with the
1010 third-party administrator the right to perform annual
1011 reviews of the administrator; authorizing the program
1012 administrator to take certain actions if the program
1013 administrator finds that the third-party administrator
1014 has committed a violation of its contract; authorizing
1015 a program administrator to terminate an agreement with
1016 a third-party administrator under certain
1017 circumstances; providing for the continuation of
1018 certain financing agreements after the termination or
1019 suspension of the third-party administrator; creating
1020 s. 163.085, F.S.; requiring that, in communicating
1021 with the property owner or nongovernmental lessee, the
1022 program administrator, qualifying improvement
1023 contractor, or third-party administrator comply with
1024 certain requirements; prohibiting the program
1025 administrator or third-party administrator from



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1026 disclosing certain financing information to a
1027 qualifying improvement contractor; prohibiting a
1028 qualifying improvement contractor from making certain
1029 advertisements or solicitations; providing exceptions;
1030 prohibiting a program administrator or third-party
1031 administrator from providing certain payments, fees,
1032 or kickbacks to a qualifying improvement contractor;
1033 authorizing a program administrator or third-party
1034 administrator to reimburse a qualifying improvement
1035 contractor for certain expenses; prohibiting a
1036 qualifying improvement contractor from providing
1037 different prices for a qualifying improvement;
1038 requiring a contract between a property owner or
1039 nongovernmental lessee and a qualifying improvement
1040 contractor to include certain provisions; prohibiting
1041 a program administrator, third-party administrator, or
1042 qualifying improvement contractor from providing any
1043 cash payment or anything of material value to a
1044 property owner or nongovernmental lessee which is
1045 explicitly conditioned on a financing agreement;
1046 creating s. 163.086, F.S.; prohibiting a recorded
1047 financing agreement from being removed from attachment
1048 to a property under certain circumstances; providing
1049 for the unenforceability of a financing agreement
1050 under certain circumstances; providing provisions for
1051 when a qualifying improvement contractor initiates
1052 work on an unenforceable contract; providing that a
1053 qualifying improvement contractor may retrieve chattel
1054 or fixtures delivered pursuant to an unenforceable



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1055 contract if certain conditions are met; providing that
1056 an unenforceable contract will remain unenforceable
1057 under certain circumstances; creating s. 163.087,
1058 F.S.; requiring a program administrator authorized to
1059 administer a program for financing a qualifying
1060 improvement to post on its website an annual report;
1061 specifying requirements for the report; requiring the
1062 auditor general to conduct an operational audit of
1063 each authorized program; providing an effective date.